

RESOLUTION NO. 2004-02

A RESOLUTION OF THE CITY OF Somerset, TEXAS, OPPOSING ANY SCHOOL FINANCE OR TAX SYSTEM REFORMS THAT WOULD NEGATIVELY AFFECT CITY REVENUES AND ECONOMIC DEVELOPMENT EFFORTS

WHEREAS, it is likely that the Texas Legislature will address school finance and tax system reforms in the near future; and

WHEREAS, during these deliberations by the Texas Legislature, proposals to limit the ability of cities to collect property taxes and sales taxes are likely to be offered by some members of the Legislature; and

WHEREAS, additional restrictions on city taxes fly in the face of a history of frugal tax administration by Texas cities; and

WHEREAS, all Texas cities combined collect only 15.3 percent of all property taxes collected in the State of Texas, while schools collect more than 60 percent; and

WHEREAS, between 1985 and 2002, the municipal share of all property tax revenue fell from 20.3 percent to 15.3 percent; and

WHEREAS, Texas cities rely on tax revenue to build basic infrastructure, to ensure public safety through police and fire departments, and to provide numerous essential services for city residents, who are 80 percent of the state's population; and

WHEREAS, Texas cities engage in numerous economic development activities that produce jobs and revenue for the entire State of Texas; and

WHEREAS, cities must meet the challenges of homeland security and compliance with state and federal mandates, many of which are unfunded mandates; and

WHEREAS, Texas cities have shown over the years that they are fiscally responsible and good stewards of taxpayers' money; and


WHEREAS, efforts to limit the ability of cities to collect sales and property tax revenues or to set tax rates would have severe negative impacts on city services, city employees, economic development efforts, and ultimately the citizens of the State of Texas;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF Somerset, TEXAS:


That the governing body of the City of Somerset will oppose all school finance or tax reform efforts by the Texas Legislature that negatively impact the ability of the City to provide basic essential services, conduct economic development activities,

and ensure public safety by limiting our ability, beyond the provisions of current law, to collect property tax or sales tax revenues.

PASSED AND ADOPTED this 13th day of May, 2004.


Mayor, City of Somerset, Texas.

ATTEST:


City Secretary